



AGENDA
REGULAR BOARD MEETING
January 29, 2018
5:00 p.m.

1. **Agenda Review**
2. **Old Business**
3. **Approval of Consent Agenda Items**
 - a. Regular Board minutes dated December 18, 2017
 - b. Board Member vouchers for the month of December
 - c. Payment Vouchers dated December 13, 2017 to January 23, 2018
 - d. Grant and Contract Services Expenditures with the Carlton County Extension Service for the period January 1, 2018 to December 31, 2018
 - e. 2018 Legislative Priorities
 - f. Investment Policy
4. **New Business Items for Discussion and Approval**
 - Legislative
 - a. Resolution 18-01; Dues for Area Chambers of Commerce
 - Operations
 - b. Approval of Scanlon Interceptor Fiberglass Pipe Rehabilitation and Flow Diversion Project – Recommendation for Award of Construction Phase Engineering Services
 - c. Approval of Clarifier Modeling/Analysis – Professional Services Recommendation
 - Finance
 - d. Approval of 2017 Financials
 - e. Approval of 2017 Year-end Adjustment
 - f. Approval of 2017 Gainshare Payout
 - g. Approval of Worker’s Compensation Insurance Renewal for 2018 Recommendation
5. **Committee Reports**
 - a. Committee of the Whole
 - b. Finance
 - c. Operations
 - d. Personnel
 - i. Motion to close Personnel Meeting scheduled for February 8th, at 11:45 a.m.
 - e. Legislative
 - f. Planning/Solid Waste
 - g. Board Governance
 - h. Board Member Comments
6. **Executive Director Reporting**
 - a. Communications
 - b. Monthly Financials (Item 4d)
 - c. NPDES
7. **Legal Counsel**
8. **Executive Session (staff excused)**



MINUTES
REGULAR BOARD MEETING
January 29, 2018
5:00 p.m.

Board Members Present: Dave Manderfeld, Jim Aird, Paul Thomsen, Ruth Janke, Marcia Podratz, Archie Chelseth, Laura Ness, and Julene Boe

Board Members Absent: Loren Lilly

Staff Present: Melissa Williams, Carrie Clement, Jack Ezell, Al Parrella, Cathy Remington, Marianne Bohren, Joe Mayasich, Crystal Nicolai, and Amanda MacDonald

Legal Present: David Oberstar – Fryberger, Buchanan, Smith & Frederick

Chair Janke called the meeting to order at 5:00 p.m.

1. Approval of Consent Agenda Items

- a. Regular Board minutes dated December 18, 2017
- b. Board member vouchers for the month of December
- c. Payment vouchers dated December 13, 2017 to January 23, 2018
- d. Grant and Contract Expenditures with the Carlton County Extension Service for the period of January 1, 2018 to December 31, 2018
- e. 2018 Legislative Priorities
- f. Investment Policy

MOTION: Member Boe to approve the consent agenda items

SECOND: Member Thomsen

DISCUSSION: None

RESULT: The motion passed unanimously

2. New Business Items for Discussion and Approval

- a. **Resolution 18-01; Dues for Area Chambers of Commerce**
Marianne Bohren reviewed Resolution 18-01. In 2003, the WLSSD Board and legal counsel worked to determine whether the District's longstanding membership in the Duluth Area Chamber of Commerce was of substantial value to the District in achieving its mission. Through this process, the Board determined that membership in the Duluth Area Chamber is valuable to the District. In 2009, the Board determined that similar memberships in the Cloquet and Hermantown Area Chambers of Commerce brought similar substantive value to the District.

The Committee of the Whole recommends that the WLSSD Board authorize membership in these chambers of commerce for 2018-2019.

MOTION: Member Manderfeld to authorize membership in these chambers of commerce for 2018-2019

SECOND: Member Aird

DISCUSSION: None

RESULT: The resolution passed with 8 ayes and 1 absent

b. Approval of Scanlon Interceptor Fiberglass Pipe Rehabilitation and Flow Diversion Project – Recommendation for Award of Construction Phase Engineering Services

Carrie Clement discussed the recommendation for award. The Scanlon Interceptor carries municipal and industrial wastewater from the Scanlon Pump Station to the gravity portion of Sorila Road in Thomson Township to the Knowlton Creek Pump Station. On May 22, 2017 a break in the Scanlon Forcemain occurred on East Highway 61 in Esko, west of Sorila Road. The break was on a section of 42 inch pipe that transitioned from forcemain to gravity sewer. The pipe is centrifugally – cast, fiberglass – reinforced, polymer mortar pipe (fiberglass) manufactured by Hobas and installed in 2002. On May 24, 2017 the WLSSD Board approved a resolution declaring the project an emergency requiring immediate action.

During the repair, a line stopple was installed to isolate the broken pipe for repair. The pipe that is isolated was inspected and determine that the remaining fiberglass pipe installed in 2002 was compromised. The broken sections of pipe have been replaced and 513 feet of CIPP liner was installed from the ductile iron pipe to manhole D147a under the emergency project. The remaining pipe from 2002 pipe requires rehabilitation to address the condition deficiencies and allow continued service. The remaining section of pipe from 2002 requires rehabilitation to prevent future emergencies.

CDM Smith submitted a scope of work and fee proposal which includes contractor submittal review, construction inspection services, project administration, record drawings and general engineering consultation during construction. CDM Smith is partnering with MSA Professional Services who will provide the onsite resident project inspection during construction.

This project was added to the 2017 capital budget after a public hearing held on August 28, 2017. The project is listed on the Intended Use Plan (IUP) and is eligible for a low interest loan through the state revolving fund (SRF) administered by the Public Facilities Authority (PFA).

The Operations Committee recommends the WLSSD Board enter into a contract with CDM Smith to provide construction engineering services associated with the Scanlon Interceptor Fiberglass Pipe Rehabilitation and Flow Diversion Project.

MOTION: Member Thomsen to enter into a contract with CDM Smith to provide construction engineering services associated with the Scanlon Interceptor Fiberglass Pipe Rehabilitation and Flow Diversion Project

SECOND: Member Chelseth

DISCUSSION: None

RESULT: The motion passed unanimously

c. **Approval of Clarifier Modeling/Analysis – Professional Services Recommendation**

Carrie Clement discussed the professional services recommendation. The secondary clarifiers underwent a major rehabilitation, including replacement of all mechanical and electrical components as well as exterior concrete repair, in 2001 to 2003 and subsequent recoating of the steel mechanisms in 2004 to 2005. Following identification of movement of clarifier #3 due to buoyancy in early 2014, Brown & Caldwell conducted a condition assessment of clarifier #3. Following the condition assessment, additional geotechnical investigation and subsequent emergency repair project to the clarifier 3 influent channel, structural slab, and topping as well as installation of pressure relief valves was completed by early 2017.

The recommendations for rehabilitation of the interior and exterior concrete surfaces of clarifier # 3 were determined to be no of immediate concern and were not addressed during the emergency repair project. Planned concrete repair of all 4 clarifiers were incorporated into the 10-year capital improvements plan. It was assumed that the condition of the concrete in all of the clarifiers would be similar since they have been operating in parallel under similar conditions over the course of their life. This assumption would continue to be evaluated as subsequent clarifiers were able to be inspected.

In the fall of 2017, field investigation for condition assessment of clarifier #4 was conducted; none of the issues requiring emergency repair of clarifier #3 were found in #4. Generally, the results indicate that the general concrete rehabilitation issues found in clarifier #3 are similar in #4. Brown and Caldwell suggested that some additional analysis could be completed prior to finalizing the condition assessment in order to identify whether there is a more cost effective option available to address deterioration of the concrete launders and launder supports. The clarifier launder is the trough that collects the wastewater as it flows out of the clarifier.

Brown and Caldwell submitted a detailed scope of work and fee proposal to provide professional services for completing clarifier modeling and analysis to determine which launder configuration would be most efficient when designing a replacement, identify other adjustments that could enhance performance of the clarifiers and provide recommendations and associated timing and planning level cost estimates for potential improvements. The field investigation is planned to be completed in February 2018 with completion of modeling and analysis in March 2018.

The Operations Committee recommends that the WLSSD Board recommend approval to authorize Brown and Caldwell for professional services associated with clarifier modeling and analysis.

MOTION: Member Manderfeld to authorize Brown and Caldwell for professional services associated with the clarifier modeling and analysis

SECOND: Member Podratz

DISCUSSION: None

RESULT: The motion passed unanimously

d. Approval of 2017 Financials

Cathy Remington presented the 2017 Financials at the Committee of the Whole meeting prior to the Regular Board meeting.

It is recommended that the WLSSD Board approve the 2017 Financials.

MOTION: Member Manderfeld to approve the 2017 Financials

SECOND: Member Thomsen

DISCUSSION: None

RESULT: The motion passed unanimously

e. Approval of 2017 Year-end Adjustment

Cathy Remington presented the 2017 Year-end Adjustment at the Committee of the Whole meeting prior to the Regular Board meeting.

It is recommended that the WLSSD Board approve the 2017 Year-end Adjustment.

MOTION: Member Podratz to approve the 2017 Year-end Adjustment

SECOND: Member Boe

DISCUSSION: None

RESULT: The motion passed unanimously

f. Approval of 2017 Gainshare Payout

The 2017 Gainshare Payout was presented at the Committee of the Whole meeting prior to the Regular Board meeting.

It is recommended that the WLSSD Board approve the 2017 Gainshare Payout.

MOTION: Member Manderfeld to approve the 2017 Gainshare Payout

SECOND: Member Aird

DISCUSSION: None

RESULT: The motion passed unanimously

g. **Approval of Worker's Compensation Insurance Renewal for 2018 Recommendation**

Melissa Williams discussed WLSSD's Worker's Compensation Insurance through the League of Minnesota Cities. WLSSD has maintained Worker's Compensation insurance coverage through the League of Minnesota Cities for over twenty years; the League's program is specifically designed for governmental units in Minnesota. Since 1999, the District has opted for coverage that includes a \$5,000 deductible as the acceptable coverage for cost savings versus risk; this deductible means a lower premium. For 2018, the quote received for a \$5,000 deductible is \$122,845. The deductible results in a lower premium with WLSSD paying up to \$5,000 in medical costs per incident. The District's overall experience rating has increased to .76 compared to a rating of .76 in 2017.

The Finance Committee recommends that the WLSSD Board approve the \$5,000 deductible quote for a 2018 Worker's Compensation Insurance premium of \$122,845.

MOTION: Member Thomsen to approve the \$5,000 deductible quote for a 2018 Worker's Compensation Insurance premium of \$122,845

SECOND: Member Chelseth

DISCUSSION: None

RESULT: The motion passed unanimously

3. Committee Reports

- a. Committee of the Whole – there was a meeting prior to the Regular Board meeting; no meeting is scheduled for February
- b. Finance – the January meeting was reviewed; the next meeting is scheduled for February 21st
- c. Operations – the January meeting was reviewed; the next meeting is scheduled for February 15th
- d. Personnel – there was no meeting in January; the next meeting is scheduled for February 8th.

MOTION: Member Podratz to close the February 8th Personnel meeting at 11:45 a.m.

SECOND: Member Thomsen

DISCUSSION: None

RESULT: The motion passed unanimously

- e. Legislative – the January meeting was reviewed; no meeting is scheduled for February
 - f. Planning/Solid Waste – there was no meeting January; the next meeting is scheduled for February 15th
 - g. Board Governance – there was no meeting in January and no meeting is scheduled for February
 - h. Board Member Comments – none
4. **Executive Director Reporting**
- a. **Communications**
The communications were reviewed at the Committee of the Whole meeting prior to the Regular Board meeting.
 - b. **Monthly Financials**
The monthly financials were reviewed at the Committee of the Whole meeting prior to the Regular Board meeting.
 - c. **NPDES**
The NPDES report was reviewed at the Committee of the Whole meeting prior to the Regular Board meeting.
5. Legal Counsel – no report
6. Executive Session – none

The meeting adjourned at 5:11 p.m.

Recording Secretary

Board Chair

Board Secretary